

October 30, 2013

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
455 12th Street SW  
Washington, DC 20554

Re: Notice of *Ex Parte* Communication, WC Docket No. 02-60

Dear Ms. Dortch:

On September 26, 2013, Sherilyn Pruitt of the Office of Advancement of Telehealth (OAT), Martin Rice, Natassja Manzanero, and Alicia O'Brien, all in the Office of Rural Health Policy (ORHP) at the Health Resources and Services Administration (HRSA) of the Department of Health and Human Services, met with Linda Oliver, Christianna Barnhart, Steven Rowings, and Jay Schwarz of the Wireline Competition Bureau at the Federal Communications Commission. The purpose of the meeting was to inform Commission staff about the process through which OAT grant recipients are selected to help the Commission design its Skilled Nursing Facility (SNF) Pilot Program.

The ORHP representatives discussed the process through which competitive OAT Telehealth Network Grants are awarded and administered. First, OAT grants are announced through a Funding Opportunity Announcement, which provides details on how interested entities can apply for the grant. Then, the applications are reviewed by an "Objective Review Committee," which includes experts in rural health and other clinical areas. Winning applicants are selected in coordination with the Division of Independent Review, which is a separate division at HRSA. ORHP representatives stated that in some instances, the Division of Independent Review may contract with an outside entity to help review grant applications. The group also discussed how the process ensures transparency and prevents bias that could influence the selection process. Once selected, OAT grantees are assigned a Project Officer to make sure that they understand the expectations and rules of the grants they have received, and that a HRSA grants management specialist checks in with grantees periodically as well.

The ORHP representatives also made several observations regarding the relationship between SNFs and hospitals, including that SNFs can decide which patients to accept at their facilities. The group said that SNF revenues come from Medicaid, Medicare, and private payers, and they discussed the impact that the mix of Medicare and Medicaid patients at a SNF may have on the SNF's decision whether to accept a new patient. The participants also noted that SNFs are not eligible to receive "meaningful use" incentive payments for adoption and exchange of electronic health records under the HITECH Act.

Respectfully submitted,

          /s/            
Linda Oliver

Deputy Chief, Telecommunications Access Policy Division, Wireline Competition Bureau